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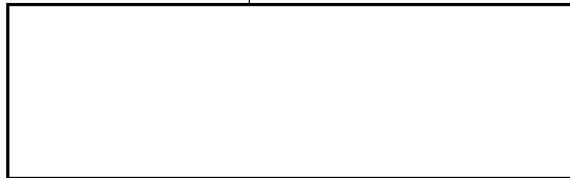
*South Korea: The Outlook for the
Pak Government*

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SOUTH KOREA:
THE OUTLOOK FOR THE PAK GOVERNMENT

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OVERVIEW

1. In the three years since his narrow victory in the 1971 presidential election, Pak Chong-hui has undertaken a systematic campaign to strengthen and perpetuate his control over South Korea. He has used threats and intimidation, declared martial law and emergency situations, rewritten the constitution to his own specifications, and, since the first of this year, issued a series of emergency decrees providing for strict punishment for any who question his policies.

2. Pak's rationale for these actions derives from his long-held belief that the nation needs and will accept his type of strong leadership. Pak sees himself as a leader in the Confucian

mold guiding the nation in its dealings with a hostile North Korea, a fluid international situation, and a wildly fluctuating world economy. His goal is to free South Korea as much as possible from reliance on foreign military and economic support.

3. In pursuing his nationalistic goal, Pak has developed an authoritarian constitutional system based on the thesis that continued economic growth requires a type of stability only possible in Korea under a rigidly-controlled political system in which real popular participation has no place. He calls for the South Korean people to put aside personal political and economic ambitions in the interest of building a strong society. Only when that goal is attained, Pak argues, will South Korea be able to afford the luxury of Western democratic practices. Under the pressure of a changing international climate Pak has actually speeded up his timetable for achieving relative independence. Though hardly real-

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istic, this drive helps explain his willingness to adopt increasingly authoritarian policies which further alienate the opposition and make it exceedingly difficult for his allies to support him.

4. To a great extent, the South Korean populace has tacitly accepted Pak's plan for the nation and acquiesced in the loss of democratic processes that seemed ready to flourish in the late 1960s. Pak's support among many South Koreans stems from the fact that under his leadership the country has been transformed from a poor backward agricultural society to an important light industrial power, with a powerful military and considerable international prestige.

5. But Pak has never been totally successful in getting a significant portion of the educated urban elite to accept his authoritarian policies. Students, Christians, writers, and some politicians have resisted his efforts and in the last year or so have begun to press privately and in public for meaningful political reform. They reject Pak's premise that the nation cannot have both democracy and economic progress. Many simply want to return to the pre-1971 system of limited parliamentary government, which Pak tolerated partly out of deference to his government's then heavy dependence on the US. Many in the opposition, however, increasingly believe that if Pak will not change his policies he must be removed. Their determination to press the government for changes has raised the prospect of increasingly serious domestic unrest in South Korea. This memorandum will discuss this situation and its likely impact on the Pak regime's domestic and international relations over the next six to nine months.

THE CURRENT SITUATION

6. The discovery in April 1974 of a loosely organized student grouping committed to ob-

taining democratic reforms through demonstrations and other means struck a raw nerve in the South Korean leadership. The government leaders had been reasonably confident that their moderate response to earlier student demonstrations, particularly those of the winter of 1973, had effectively ended the chances of further disturbances. To ensure this would be the case, the regime in early January issued emergency decrees providing stiff penalties for anyone criticizing the regime's policies. In April it then proceeded to arrest a number of persons for violating these acts.

7. Though the existence of a loosely organized student grouping was disturbing in itself, the regime was particularly upset to discover that the students had received direct support from other non-Communist opposition groups and had some contact with anti-Pak elements in Japan. Detailed investigation revealed that the students had received money from the Catholic Bishop of Wonju—Chi Hak-sun, a liberal and an outspoken critic of the government. Former president and elder statesman Yun Po-sun also was involved in providing funds. In addition, two Japanese leftists, one with some Communist affiliations, were discovered to be involved. To the government leaders this information suggested a much more sophisticated conspiracy than they had ever before faced. For the first time it appeared that students from various universities had been able to come together and to draw direct support and encouragement from prominent opposition figures.

8. The government moved swiftly. A new emergency decree providing the death penalty for any involved with the National Federation of Democratic Youth and Students was enacted and made retroactive. The Pak government intensified its propaganda criticism of North Korea and evidence against the Federa-

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tion's members was sifted and organized to demonstrate that the student group was Communist influenced if not dominated—a view Pak may actually hold. The former Communist affiliation of one of the Japanese was used to justify this claim and their rapid arrest and trial was arranged to dramatize the Communist overtones. Along with the Japanese, more than 300 South Koreans were arrested for violation of the April decree.

9. In the months since the arrests a series of military tribunals has imposed on almost 200 Koreans sentences ranging from three years to death, though none has been executed. Most have been given from 15 to 20 years. Included in this latter group are Bishop Chi, several prominent ministers and student leaders, and a wide spectrum of lawyers, writers, and intellectuals. The government has also included in the group several known pro-Communists against whom it has not previously acted but who have been purposefully linked with the Federation to provide some substance to the government's charges of Communist influence.

10. In moving against the Federation—particularly those prominent citizens who were involved with it—Pak clearly hoped to discredit the organization and obtain confessions and a pledge to avoid further anti-government activity. This process has been used successfully in the past but in this case Pak seriously miscalculated. Stiffened by the domestic and international outcry that accompanied their arrest, trial, and sentencing, Bishop Chi and others have refused to bend to the government's demands. Instead, to the government's frustration, they have sought every opportunity to criticize Pak's policies, forcing the regime to follow through with its threats.

11. Although Pak acted firmly in dealing with his opponents, he has characteristically carefully avoided any action which would

generate widespread popular support or sympathy for this now permanently disaffected minority. He was particularly determined to avoid measures which would cause university students to rally to the support of the opposition when classes resume this fall.

Recent Developments

12. Pak has, as a result, recently taken steps to ease the tense domestic situation. Two of the most onerous emergency decrees have been rescinded—though persons punished under them remain imprisoned and many await trial. The leader of the main opposition Party, Kim Yong-sam, has been permitted to criticize the government—but not the President—and the National Assembly has been allowed some critical debate of government policy.

13. These moderating gestures have been accompanied by an intensified anti-Communist drive and a widespread anti-Japanese campaign. Both of these actions stem directly from the attempt on August 15 by an ethnic Korean born and resident in Japan to assassinate Pak which resulted in the death of the President's wife. Pak has linked the assassin with pro-Pyongyang elements in Japan and has heated up charges of North Korean aggression.

INTERNATIONAL IMPLICATIONS

14. From Pak's perspective, foreign support for South Korea is declining and must be compensated for by measures designed to increase national independence and to ensure domestic stability. He is aware that the actions taken in pursuit of these goals have been costly in terms of international prestige and support but he appears ready to pay the price. It is also his view, however, that the fundamental interest of his allies—chiefly the US and Japan—in preserving stability on the Korean

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peninsula will serve as a check on any precipitous reduction in political/military support for his regime.

15. For the short term, Pak's analysis is probably accurate. Most of South Korea's allies will, for example, continue to work on its behalf at the forthcoming UN General Assembly. They will do so chiefly, however, to insure that an arrangement can be worked out with North Korea's allies which will preserve in some form the armistice machinery which the UN Command has supervised since the war.

16. However, the longer-term effects of Pak's brand of authoritarian nationalism could be serious. No political break between Seoul and any of its allies is likely. The willingness of some—especially the Japanese—to continue to support Seoul's developing economy with loans and capital investment may decline partly because of the repressive political climate and partly because of the practical risks involved in investing in a potentially unstable country. This could, in turn, seriously weaken Pak's ability to provide the type of sustained economic growth which has been a key factor contributing to his popularity and to his ability to maintain firm control.

The US

17. Pak is counting on the strategic importance the US attaches to South Korea and on the strength of his armed forces to ensure continued US support. Pak has also calculated that US forces will soon be withdrawn from the South in any case and US military assistance sharply reduced if not terminated. (When Pak began his authoritarian practices in 1971 he probably believed that almost all US ground forces would be out of Korea by 1975.) Against this contingency, he has consistently sought to build into his armed forces as much independence as possible. He has been pre-

pared for some time to do without US military grant aid, although some of his key military aides may feel otherwise. Of greatest importance to him now is access to the purchase of US military equipment, particularly air and naval, to upgrade and streamline his armed forces. But Pak is not wedded to US equipment. For some time now he has been seeking some items for his inventory in Europe and Israel. Such purchases may be more costly but he is prepared to pay the price if he can no longer obtain favorable terms in the US market, or if the weapons he wants are not available.

Japan

18. Seoul-Tokyo relations, already impaired by the Kim Tae-chung kidnapping last year, have been seriously hurt by recent developments in South Korea. The government has used the Japanese connection of Mrs. Pak's assassin to demand that Tokyo punish his alleged associates, including one who is an official of the pro-Pyongyang Korean organization in Japan; Pak also wants the organization curbed. President Pak has personally involved himself in this effort and has implied that a diplomatic break could occur if the Japanese do not satisfy him. Tokyo's failure to comply with these demands has already caused Seoul to step up the anti-Japanese demonstrations that the government sponsored soon after the assassination attempt.

19. It is doubtful that Pak will actually permit a break in relations but he is likely to keep the pressure on the Japanese. Tokyo may attempt to reduce the heat by issuing a conciliatory statement and possibly by making some moves toward dealing with Seoul's other demands. But the issue is not likely to be resolved quickly and relations between the two will remain strained. Trade and aid negotiations scheduled for later this year will prob-

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ably not be held. Potential Japanese investors in South Korea will feel compelled to weigh the risks of anti-Japanese activity before committing their capital.

20. Over the longer run, no matter how the situation develops these recent events cannot but have a lasting negative effect on relations between Seoul and Tokyo. From the South Korean point of view they reflect Pak's emotional involvement and a determination to exploit latent anti-Japanese sentiment for domestic ends. Pak appears fully prepared to risk a reduction of Japanese economic and international support, but he probably does not believe that the Tanaka government is prepared to sever Japan's extremely lucrative commercial relations with South Korea or that Tokyo will respond by rapidly accelerating its cautious efforts to expand ties with Pyongyang.

THE ECONOMY

21. Although Pak is reasonably insulated from direct American or Japanese pressures, his domestic policies could reduce his ability to maintain a strong military and sustained high economic growth. If recent events in the South have done nothing else, they have suggested the possibility of political instability in South Korea which is seriously weakening the nation's favorable investment climate.

22. Like many other small industrial nations Korea has been hit hard by current world economic problems. Korea's balance of payments deficit, always a problem, has increased considerably this year. While the economy continues to grow—although at a rate slower than the 11 percent annually achieved over the past five years—Seoul must seek foreign funds to cover its widening current deficit. For long it has been able to obtain funds in

Japan, the US, and elsewhere in the developed West. In the last two years it has increasingly sought both investment capital and long-term loans in Western Europe. A world-wide economic slowdown could further enlarge the Korean deficit, while the prospect of political unrest, coupled with the general disapproval of most European countries of his domestic policies, could diminish Pak's access to foreign loans. This has already happened to a limited extent with the Japanese.

23. Pak's ability to control the domestic situation would be seriously impaired if the nation's economy suddenly weakened. Economic difficulties would force cuts in spending for the military and purchase of grain to make up for the nation's lagging grain production. At the same time, unemployment would rise and create the type of unrest and agitation in the cities that Pak has tried to prevent throughout his rule. These developments, coupled with the type of political agitation currently in being, could contribute to sentiment for his ouster.

THE NORTH KOREA ELEMENT

24. The type of political instability that the present actions of the Pak government may generate raises serious problems for the already tense relations between the two Koreas. Within the past year or so Pyongyang has virtually abandoned any effort to use the dialogue with Seoul to advance its efforts to achieve unification through political means. It has intensified its propaganda criticism of the South, returning to the type of invective employed in the late 1960s. The North is fully aware that political developments in the South could provide opportunities for exploiting the situation that had not heretofore existed. The South Korean Government already believes that Pyongyang is stepping up efforts to infiltrate agents into the South to establish con-

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tact with opposition forces and to encourage the overthrow of Pak.

25. Given Seoul's historic reliance on the Northern threat to keep the population in line, there is some chance that it might fabricate or provoke incidents to support its contention of imminent Communist aggression. Belief by the South Korean leadership that Mrs. Pak was killed by a North Korean assassin would increase this possibility. In such an atmosphere of heightened tension and suspicion, incidents could develop into more serious clashes.

OUTLOOK

Pak in Control

26. Despite the personal tragedy of his wife's death, Pak's actions over the past several weeks have given every indication that he is in full control of the situation. He appears to have carefully weighed the odds for and against certain domestic policies and the possible foreign repercussions. Though withdrawn and taciturn, Pak is not isolated from the day-to-day functioning of his government nor is he unfamiliar with the mood of the people. His advisers, though wary of challenging his views, are not merely sycophants anxious to share in the power of the leader. In short, Pak is not an enfeebled Syngman Rhee, nor is there any similarity between Pak's regime and the Rhee government in its final days.

27. What similarity exists rests on the manner in which both men have foreclosed the possibility of a peaceful change in political leadership. In the end, unwillingness to share power brought Rhee down and it may eventually be Pak's undoing. But for the period of this political projection—the next six to nine months—Pak seems likely to remain in control.

28. Unlike Rhee, Pak continues to enjoy the support of the military leadership, the security services, and the bulk of the rural population. Without doubt there are bureaucrats and military officers who do not agree with the course Pak is charting. Some undoubtedly believe that his arbitrary rule will eventually create domestic instability which will harm the economy and in time increase the threat from the North. There is no evidence that such thinking is widespread within South Korea but, given the pervasive internal security arrangements, it may be there but not apparent to the foreign observer.

29. In urban areas, many may sympathize with the vocal opposition to Pak but few are as yet willing to join the protestors. While not condoning Pak's style of arbitrary rule, they accept his strong leadership and see no acceptable alternative to him.

30. Though detente has helped moderate South Korea's diplomatic posture and its attitude toward China and the USSR, there has been no detente with North Korea. Despite three years of intermittent talks with Pyongyang, little has been accomplished and the two Koreas remain mutually hostile. Indeed, Pak's customary use of the Northern threat to justify his repressive policies is probably more valid in the eyes of many South Koreans now than it was two years ago. The circumstances of the most recent assassination attempt have probably strengthened anti-Northern feelings.

31. This is not to say that Pak is not vulnerable on the domestic front. He must deal with increasingly determined opposition committed to achieving fundamental changes in the regime's policies. His actions of the past few weeks indicate that he is prepared to moderate his tough tactics. There is even some suggestion that he may soon rescind the lengthy pri-

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son sentences and execution orders handed down to violators of the emergency decrees.

32. Continued efforts by Pak to ease the domestic situation are likely, and will certainly buy him time. They will not alter the nature of his government, however, nor will they mollify the opposition. Christian groups and others in the opposition—including students—will assess the new situation and wait and see how far the regime is prepared to go in altering its policies. When they determine that no significant changes are likely, renewed agitation for reform will resume. This could occur at any time over the next few months. A renewal of significant student demonstrations would probably not occur until next spring, however. In the absence of any inflammatory domestic issue, student activist leaders will use the fall semester and the following winter break to reorganize.

33. Despite the government's more moderate posture, it still has extensive powers which if fully exercised would intensify opposition. Continued imprisonment of those arrested under the emergency decrees and additional arrests would increase the possibility of renewed opposition when the universities reopen. This time the students can expect to receive broader support from the Christian community and other elements of the urban intelligentsia. Even under these circumstances, the regime's tough and efficient police and

security forces should be able to contain demonstrations. But a single incident—shooting a student, for example—could easily inflame the situation and require the use of the military. Pak, however, seems to be acutely aware of this possibility for he has repeatedly given rigid instructions to avoid the use of firearms. Indeed, despite numerous and large-scale anti-government protests in his 13-year rule, no demonstrator has ever been shot.

34. It is the general belief the army would not fire to restore order if riots got out of hand in Seoul. Under such circumstances, Pak would almost certainly step down or be forced from office by a military anxious to restore order without bloodshed and to forestall any attempt by North Korea to take advantage of the situation.

35. Continued harsh treatment of students and prominent civilians is likely to cause adverse international reaction. At a minimum, the Seoul government will gradually come to be regarded by many as little different from the regime in Pyongyang. Support for its position in the UN could dwindle and the backing it has received in its diplomatic competition with Pyongyang would disappear. Perhaps more importantly, Seoul's economic development could be adversely affected by an increasing unwillingness of Japan and other countries to make loans and investments.

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